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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-876]

Welded Line Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) finds that manufacturers/exporters of welded line pipe from the Republic of Korea sold welded line pipe at less than normal value during the period of review (POR), May 22, 2015, through November 30, 2016.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: David Goldberger or Ross Belliveau, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-4952, respectively.

SUPPLEMENTARY INFORMATION:

Background

This review covers 24 producers and/or exporters. Commerce selected two companies, Hyundai Steel Company (Hyundai Steel) and SeAH Steel Company (SeAH), for individual examination. The producers and/or exporters not selected for individual examination are listed in the “Final Results of the Review” section of this notice.

On January 9, 2018, Commerce published the *Preliminary Results*.¹ On February 23, 2018, we postponed the final results by 60 days, until July 11, 2018.²

On March 23, 2018, we received case briefs from Hyundai Steel, SeAH, Husteel Co. Ltd. (Husteel), NEXTEEL Co., Ltd., and Maverick Tube Corporation (Maverick).³ On April 2, 2018, we received rebuttal briefs from Hyundai Steel, SeAH, Husteel, and Maverick.⁴ On June 27, 2018, Maverick and SeAH submitted comments in response to factual information Commerce placed on the record on June 25, 2018.⁵ On July 2, 2018, Maverick submitted information rebutting SeAH's submission.⁶

¹ See *Welded Line Pipe from Korea: Preliminary Results of Antidumping Duty Administrative Review; 2015–2016*, 83 FR 1023 (January 9, 2018) (*Preliminary Results*).

² See Memorandum, “Welded Line Pipe from Korea from the Republic of Korea: Extension of Deadline for Final Results of 2015-2016 Antidumping Duty Administrative Reviews,” dated February 23, 2018.

³ See Hyundai Steel's Case Brief, “Case Brief of Hyundai Steel Company,” dated March 23, 2018; SeAH's Case Brief, “Case Brief of SeAH Steel Corporation,” dated March 23, 2018; Husteel's Case Brief, “Case Brief of Husteel Co., Ltd.,” dated March 23, 2018; NEXTEEL's letter, “Welded Line Pipe from the Republic of Korea: NEXTEEL's Letter in Support of Respondents' Case Briefs,” dated March 23, 2018; and Maverick's Case Brief, “Welded Line Pipe from the Republic of Korea: Case Brief,” dated March 23, 2018 (Maverick Case Brief). Maverick resubmitted certain pages of its case brief to reflect the public disclosure of certain information previously treated as business proprietary. See Maverick's letter, “Welded Line Pipe from the Republic of Korea: Resubmission of Selected Pages in Case Brief,” dated April 25, 2018.

⁴ See Hyundai Steel's Rebuttal Brief, “Rebuttal Brief of Hyundai Steel Company,” dated April 2, 2018; SeAH's Rebuttal Brief, “Rebuttal Brief of SeAH Steel Corporation,” dated April 2, 2018; Husteel's Rebuttal Brief, “Welded Line Pipe from the Republic of Korea. Case No. A-580-876: Rebuttal Brief,” dated April 2, 2018; and Maverick's Rebuttal Brief, “Rebuttal Brief of Maverick Tube Corporation,” dated April 2, 2018. Hyundai Steel resubmitted certain pages of its case brief to reflect the public disclosure of certain information previously treated as business proprietary. See Hyundai Steel's letter, “Welded Line Pipe from the Republic of Korea: Resubmission of Certain Pages of Hyundai Steel's Rebuttal Brief,” dated April 25, 2018.

⁵ See Maverick's Letter, “Welded Line Pipe from the Republic of Korea: Response to Factual Information Placed on the Record by the Department on June 25,” dated June 27, 2018. We rejected SeAH's June 27, 2018 letter, which contained untimely-filed written argument. See Commerce Letter re: 2015-2016 Administrative Review of Welded Line Pipe from the Republic of Korea, dated June 28, 2018. However, upon further consideration, we authorized SeAH to resubmit its June 27, 2018 submission; we also authorized parties to submit rebuttal comments to SeAH's written arguments. See Commerce Letter re: 2015-2016 Antidumping Duty Administrative Review of Welded Line Pipe from the Republic of Korea, dated June 29, 2018. SeAH resubmitted its rejected filing on June 29, 2018. See SeAH's letter, “Administrative Review of the Antidumping Order on Welded Line Pipe from Korea—Response to New Factual Information,” dated June 29, 2018.

⁶ See Maverick's Letter, “Welded Line Pipe from the Republic of Korea: Rebuttal Comments to SeAH's written argument,” dated July 2, 2018.

Scope of the Order

The merchandise subject to the order is welded line pipe.⁷ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in the Appendix to this notice and addressed in the IDM.⁸ Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is also available to all interested parties in the Central Records Unit, room B8024, of the main Department of Commerce building. In addition, a complete version of the IDM can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed IDM and the electronic version of the IDM are identical in content.

⁷ For a complete description of the scope of the order, see *Preliminary Results* and accompanying Preliminary Decision Memorandum.

⁸ See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2015-2016 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," (dated concurrently with these results) (IDM), which is hereby adopted by this notice.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the preliminary weighted-average margin calculations for Hyundai Steel and SeAH.⁹

Final Results of the Review

We are assigning the following weighted-average dumping margins to the firms listed below for the period May 22, 2015, through November 30, 2016:

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
Hyundai Steel Company/Hyundai HYSCO ¹⁰	18.77
SeAH Steel Company	17.81

Review-Specific Average Rate Applicable to the Following Companies:¹¹

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
AJU BESTEEL CO., Ltd.	18.30
Daewoo International Corporation	18.30
Dong Yang Steel Pipe	18.30
Dongbu Incheon Steel Co.	18.30
Dongbu Steel Co., Ltd	18.30
Dongkuk Steel Mill	18.30
EEW Korea Co, Ltd.	18.30
HISTEEL Co., Ltd.	18.30

⁹ See accompanying IDM.

¹⁰ As discussed in *Welded Line Pipe from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 80 FR 61366 (October 13, 2015), and accompanying IDM at 1, Hyundai HYSCO merged with Hyundai Steel subsequent to the period of investigation and Hyundai HYSCO no longer exists. Accordingly, our examination of Hyundai Steel includes entries made by Hyundai HYSCO prior to the date of the merger.

¹¹ This rate is based on the actual weighted-average margin using the publicly-ranked data calculated for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also Memorandum, "Calculation of the Review-Specific Average Rate for the Final Results," dated concurrently with this notice.

Husteel Co., Ltd.	18.30
Keonwood Metals Co., Ltd.	18.30
Kolon Global Corp.	18.30
Korea Cast Iron Pipe Ind. Co., Ltd.	18.30
Miju Steel MFG Co., Ltd.	18.30
MSTEEL Co., Ltd.	18.30
NEXTEEL Co., Ltd.	18.30
Poongsan Valinox (Valtimet Division)	18.30
POSCO	18.30
Sam Kang M&T Co., Ltd.	18.30
Sin Sung Metal Co., Ltd.	18.30
Soon-Hong Trading Company	18.30
Steel Flower Co., Ltd.	18.30
TGS Pipe	18.30

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), where Hyundai Steel and SeAH reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where Hyundai Steel did not report entered value, we calculated the entered value in order to calculate the assessment rate. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average¹² of the cash deposit rates calculated for Hyundai Steel and SeAH. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.¹³

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this administrative review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication

¹² This rate was calculated as discussed in footnote 11, above.

¹³ See section 751(a)(2)(C) of the Act.

date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: 1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; 2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; 3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and 4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.¹⁴ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern

¹⁴ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015).

business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This notice is issued and published in accordance with section 751(a)(1) and 777(i)(1) of the Act.

Dated: July 11, 2018.

Gary Taverman,
*Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.*

Appendix

List of Topics Discussed in the IDM

- I. Summary
- II. Background
- III. Margin Calculations
- IV. Discussion of the Issues

General Issues:

- Comment 1: Existence of a Particular Market Situation (PMS)
- Comment 2: Additional PMS Adjustments
- Comment 3: Allegations of Improper Political Influence in Determining the PMS
- Comment 4: Differential Pricing
- Comment 5: Reimbursement of Antidumping Duties

Hyundai Steel-Specific Issues:

- Comment 6: Collapsing Hyundai RB with Hyundai Steel
- Comment 7: Date of Sale for Hyundai Steel's U.S. Sales
- Comment 8: Reporting of Hyundai Steel's Downstream Sales
- Comment 9: Assignment of Costs for Hyundai Steel's Non-Prime Pipe
- Comment 10: Hyundai Steel's Foreign Inland Freight Expenses
- Comment 11: Calculation Error for Hyundai Steel in the *Preliminary Results*

SeAH-Specific Issues:

- Comment 12: SeAH's Third Country Comparison Market Viability
- Comment 13: Constructed Export Price (CEP) Offset for SeAH

- V. Recommendation

[FR Doc. 2018-15327 Filed: 7/17/2018 8:45 am; Publication Date: 7/18/2018]